

BEFORE THE ARIZONA CORPORATION COMMISSION

2 COMMISSIONERS SUSAN BITTER SMITH, Chairma DOCKETED 3 **BOB STUMP** 4 **BOB BURNS**

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TOM FORESE

IN THE MATTER OF THE APPLICATION OF BALTERRA SEWER CORP. FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. SW-20403A-05-0586

NOTICE OF FILING (COMPLIANCE)

Decision No. 68742 (June 5, 2006) requires Balterra Sewer Corp. ("Balterra") to file annual reports describing Balterra's "progress toward working with the water company for the requested area. Water Utility of Greater Tonopah, to increase the use of effluent specifically as it pertains to golf courses, ornamental lakes or other aesthetic water features." These annual reports must continue until Balterra's next general rate case. Accordingly, Balterra provides this report.

The Commission required this report because, at the time Balterra's CC&N was issued, Balterra was a developer-controlled entity that was not affiliated with Water Utility of Greater Tonopah ("Greater Tonopah"). The Commission was concerned that the recycled water (effluent) generated by Balterra might not be used to reduce water use by Greater Tonopah, because there was no relationship between the water utility and the wastewater utility. This condition was proposed by Mayes Proposed Amendment No. 1, filed in this docket on May 30, 2006. The order was considered at the May 31, 2006 open meeting; during this meeting the Commission adopted Mayes Proposed Amendment No. 1 as part of Decision No. 68742.

The separate ownership that concerned the Commission no longer exists. Global Water, Inc. acquired the stock of Balterra Sewer Corp in a transaction that was approved by the Commission in April 2008. Global Water, Inc. also owns the stock of Greater Tonopah. Greater

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Decision No. 68742 at page 12, lines 7 to 9.

Tonopah holds the certificate of convenience and necessity (CC&N) for water service for the area covered by Balterra's wastewater CC&N. Thus, Balterra and Greater Tonopah are now under common ownership and management, and they will provide integrated water, wastewater, and recycled water service. In its order approving Global's acquisition of Balterra's stock, the Commission explained that "[h]aving the same company provide both water and wastewater service in the same service area is advantageous to all parties and the Commission should approve the acquisition..."

As noted in Balterra's May 8, 2009 compliance filing, Balterra and Greater Tonopah will use Global's "Total Water Management" approach for the WUGT / Balterra service area. This approach includes extensive use of recycled water. For more information about Total Water Management, please see Global's Total Water Management White Paper, which can be found at this link: http://www.gwresources.com/news/Documents/publications/wp-total-water-management.pdf. Global also provided information about its Total Water Management plan in the previous Global rate case (SW-20445A-09-0077 et al), and in the large CC&N case for the area adjacent to Balterra (W-02450A-06-0626 et al). Total Water Management includes providing recycled water for "golf courses, ornamental lakes or other aesthetic water features" as contemplated by Decision No. 68742.3

Balterra's service area is located in the Hassayampa Sub-Basin. A coordinated regional water resources management plan is needed for this area, including the extensive use of recycled water. Global's acquisition of Balterra's stock allows Global to extend Total Water Management to Balterra's service area. In conjunction with the Hassayampa Utility Company (also owned by Global Water, Inc.) and Greater Tonopah, Global has prepared a detailed water resources plan that includes extensive use of recycled water for the service areas of Balterra, Greater Tonopah and Hassayampa Utility Company. This plan was prepared as part of Tonopah's pending application

² Decision No. 70310 (April 24, 2008) at page 4, lines 21 to 23.

³ Decision No. 68742 at page 12, lines 7 to 9.

1	for a Designation of Assured Water Supply from the Arizona Department of Water Resources
2	(ADWR). ADWR is conducting an extensive, regional planning process for the Hassayampa Sub-
3	Basin.
4	RESPECTFULLY SUBMITTED this 6 day of January 2015.
5	Roshka DeWulf & Patten, PLC
6	
7	De Simone Odille
8	By / \ Michael W. Patten
9	Timothy J. Sabo One Arizona Center
10	400 East Van Buren Street, Suite 800 Phoenix, Arizona 85004
11	Filoenix, Arizona 63004
12	Original + 13 copies of the foregoing filed this the day of January 2015, with:
13	Docket Control
14	Arizona Corporation Commission 1200 West Washington
15	Phoenix, Arizona 85007
16	Copies of the foregoing hand-delivered/mailed filed this who day of January 2015, with:
17	
18	Lyn A. Farmer, Esq.
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